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State of Wisconsin
Department of Workforce Development
Jim Doyle, Governor
Roberta Gassman, Secretary

July 22, 2005

Christine Kulick
Federal Coordinator for Plan Review and Approval
Employment and Training Administration
U.S. Department of Labor
200 Constitution Avenue, N.W.
Room S-4231
Washington, D.C. 20210

Dear Ms. Kulick:

This letter is in response to DOL's letter of June 29, 2005, requesting additional information to ensure that Wisconsin's Workforce Investment Act (WIA) State Plan for 2005-2007 is implemented in a manner consistent with WIA requirements. We have revised the WIA State Plan language in accordance with 20 CFR 667.160, which provides that "the amount to be recaptured from each local area for purposes of reallocation, if any, must be based on the amount by which the prior year's unobligated balance of allocated funds exceeds 20 percent of that year's allocation for the program, less any amount reserved (up to 10 percent) for the costs of administration." Enclosed is a revised WIA State Plan page 39 amending the language in Section VIII. K.5. Reallocation.

Please contact Connie Colussy, Director, Bureau of Workforce Programs, 608/267-9704, if you have questions regarding the amended language.

Sincerely,


Roberta Gassman
Secretary

Attachment

cc: Byron Zuidema, Region V Administrator
Bill Clingan, Administrator, Division of Workforce Solutions

- **Formal Negotiation at the State Level.** If after five days at the informal discussion level, the impasse has not been resolved, then an impartial entity, such as the Wisconsin Employment Relations Commission, will be enlisted to negotiate between the parties.
- **No Resolution.** Failure to execute an MOU by July 1, 2000 will result in:
 - The Governor and the responsible state agency must report this to the Secretary of Labor and to the head of any other Federal agency with responsibility for oversight of a partner's program.
 - The involved partner will not be permitted to serve on the WDB, and
 - The local area in which a WDB has failed to execute an MOU with all of the required partners will not be eligible for State incentive grants awarded on the basis of local coordination of activities under 20 CFR 665.200(d)(2).

VIII. K. 3. Local Board as Service Provider

DWD has been clear with the WDBs regarding the limited conditions under which a local board may provide services directly. WIA Policy 02-01 is Attachment L.

VIII. K. 4. Training Providers Performance Information

Wisconsin follows what is written in WIA section 122(h)(2) concerning the collection of performance information from training providers of on-the-job and customized training. It gives the Governor discretion to decide if performance information will be collected. Wisconsin does not require this information be collected.

VIII. K. 5. Reallocation

The state has a process in place for recapturing and reallocating funds. Funds not expended after the end of the two-year grant period will be deobligated. If a WDB is below the 70 percent expenditure rate or 80 percent obligated at the end of year two, reallocation will occur. The amount recaptured must be based on the amount by which the prior year's unobligated balance of allocated funds exceeds 20 percent of that year's allocation for the program, less any amount reserved for the cost of administration (up to 10 percent). DWS will issue these recaptured amounts as additional WIA grants to WDBs that have expended all their funds during the two-year grant period and will be able to expend the additional funds by the end of the third year of the grant.

DWS allows grantees 30 days to close their grants. The recapture process will occur after this 30-day period.

VIII. K. 6. Transfer Funds Authority

This transfer of WIA funds will be treated similarly to other budget modifications. The WDB must submit revisions to its program plan, client data and budget. The state will review the modification and either approve or deny it. There is an edit in the DWD fiscal system that does not allow transfers to exceed the percentage allowed by law. This procedure is also noted in the *WIA Workforce Programs Guide*.

VIII. K. 7. Special Needs Populations Policies for special needs populations

The basic structures for serving populations with special needs are addressed through a comprehensive and satellite Job Center delivery system and demand-driven strategic partnership planning structure. In serving groups with special needs, Wisconsin's WIA policies and procedures follow:

- Provide tools and strategies to strive towards universal access to core services under WIA: Key areas addressed are language, physical disability, geographic location, cognitive barriers, reading level and economically disadvantaged;
- Develop plans to address areas lacking accessibility that will not be implemented immediately due to undue hardship or lack of feasible solutions;
- Emphasize monitoring by WDBs to ensure special needs groups are receiving adequate level of service;
- Provide technical assistance on assessment services to guarantee that solutions for barriers to employment are addressed;
- Promote increased referral of displaced homemakers to Carl Perkins Technical College Program by Job Centers;